

**BUDGET 2023 (14 FEB)**



# **WHAT YOU NEED TO KNOW**

## **CHANGES TO HOUSING POLICIES**







# BUDGET 2023

## What Are the Latest Housing Grants for First-Time Resale Flat Buyers?



### FOR FIRST-TIMER FAMILIES

CPF Housing Grant	Enhanced Housing Grant (EHG)	Proximity Housing Grant (PHG)
<b>4-room or smaller:</b> Up to \$80,000 (previously \$50,000)	Up to \$80,000	Up to \$30,000
<b>5-room or larger:</b> Up to \$50,000 (previously \$40,000)	Up to \$80,000	Up to \$30,000

**MAX. TOTAL GRANT AMOUNT: UP TO \$190,000 (PREVIOUSLY \$160,000)**



### FOR FIRST-TIMER SINGLES



CPF Housing Grant	Enhanced Housing Grant (EHG)	Proximity Housing Grant (PHG)
<b>4-room or smaller:</b> Up to \$40,000 (previously \$25,000)	Up to \$40,000	Up to \$15,000
<b>5-room or larger:</b> Up to \$25,000 (previously \$20,000)	Up to \$40,000	Up to \$15,000

**MAX. TOTAL GRANT AMOUNT: UP TO \$95,000 (PREVIOUSLY \$80,000)**

### YOU'LL RECEIVE THE **INCREASED GRANTS** IF...

- You're eligible and HDB has received your completed resale flat application on or after 1 Apr 2023.

**OR**

### YOU'LL RECEIVE THE **DIFFERENCE BETWEEN THE CURRENT GRANT** IF...

- You're eligible and have yet to complete your resale flat transaction.
- You're eligible and have submitted an application between 14 Feb 2023 (from 3:30pm) – 31 Mar 2023, within 3 months from your resale completion date.







# BUDGET 2023

## Increase in Marginal Buyer's Stamp Duty (BSD) for Residential Properties



Portion of Property Value	Marginal BSD Rate	
	Residential Property	
	On or before 14 Feb 2023	On or after 15 Feb 2023
First \$180,000	1%	1%
Next \$180,000	2%	2%
Next \$640,000	3%	3%
Next \$500,000	4%	4%
Next \$1.5 million		↑5%
In excess of \$3 million		↑6%



### “What does this mean for you?”

For houses valued ≤ \$1.5M, there's no change to the BSD paid.

For houses valued up to \$2M, the BSD increase is only up to \$5,000.

## DIFFERENCE IN BUYER'S STAMP DUTY (RESIDENTIAL)

Property Price	OLD BSD (OTP dated 14/2 or earlier)	NEW BSD (OTP dated 15/2 onwards)	BSD Amount Increased By	% Increased Compared with Old Stamp Fee	% Increase Compared to Property Price
\$1,500,000	\$44,600	\$44,600	-	-	-
\$2,000,000	\$64,600	\$69,600	\$5,000	7.7%	0.3%
\$2,500,000	\$84,600	\$94,600	\$10,000	11.8%	0.4%
\$3,000,000	\$104,600	\$119,600	\$15,000	14.3%	0.5%
\$3,500,000	\$124,600	\$149,600	\$25,000	20.1%	0.7%
\$4,000,000	\$144,600	\$179,600	\$35,000	24.2%	0.9%
\$5,000,000	\$184,600	\$239,600	\$55,000	29.8%	1.1%
\$10,000,000	\$384,600	\$539,600	\$155,000	40.3%	1.6%
\$15,000,000	\$584,600	\$839,600	\$255,000	43.6%	1.7%
\$20,000,000	\$784,600	\$1,139,600	\$355,000	45.2%	1.8%
\$25,000,000	\$984,600	\$1,439,600	\$455,000	46.2%	1.8%

## CALCULATION OF BSD (OTP DATED 15 FEB 2023 ONWARDS)

Below \$1 million	\$1,000,001 to \$1,500,000	\$1,500,001 to \$3,000,000	Above \$3,000,000
(Price x 3%) minus \$5,400	(Price x 4%) minus \$15,400	(Price x 5%) minus \$30,400	(Price x 6%) minus \$60,400





# BUDGET 2023

## Increase in Marginal Buyer's Stamp Duty (BSD) for Commercial Properties



Portion of Property Value	Marginal BSD Rate	
	Commercial Property	
	On or before 14 Feb 2023	On or after 15 Feb 2023
First \$180,000	1%	1%
Next \$180,000	2%	2%
Next \$640,000	3%	3%
Next \$500,000	3%	4%
Next \$1,500,000	3%	5%
In excess of \$3 million	3%	5%



### HERE'S A SAMPLE CALCULATION USING THE NEW BSD RATES.

Scenario: Purchasing a commercial property that is worth \$3M.

First \$180,000	$\$180,000 \times 1\% = \$1,800$
Next \$180,000	$\$180,000 \times 2\% = \$3,600$
Next \$640,000	$\$640,000 \times 3\% = \$19,200$
Next \$500,000	$\$500,000 \times 4\% = \$20,000$
Next \$1,500,000	$\$1,500,000 \times 5\% = \$75,000$

#### Total BSD payable:

$\$1,800 + \$3,600 + \$19,200 + \$20,000 + \$75,000 = \$119,600$

